

MEMO# 31669

March 20, 2019

ICI Submits Opposition Letter to Wall Street Tax Act (FTT)

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March 20, 2019 TO: ICI Members

Tax Committee SUBJECTS: Tax RE: ICI Submits Opposition Letter to Wall Street Tax Act (FTT)

On March 5, 2019, Senators Chris Van Hollen (D-Md.) and Brian Schatz (D-Hawaii) and Representative Peter DeFazio (D-Ore.) introduced the [Wall Street Tax Act](#) to impose a new 10-basis point financial transaction tax (FTT). The tax would apply to stocks, partnership interests, debt, and derivative contracts, and would raise an estimated \$777 billion over 10 years. The legislation exempts the initial issuance of securities, short-term debt, and securities lending.

The Institute's President, Paul Schott Stevens, sent the attached opposition letter to the Chairman and Ranking Member of the Senate Committee on Finance and the Chairman and Ranking Member to the House Committee on Ways and Means. The letter explains that the burden of the tax would fall squarely on American workers, retirees, and businesses. It also describes how FTTs in other countries have harmed financial markets by reducing trading volume, impairing liquidity, and distorting price discovery.

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[Attachment No. 1](#)

[Attachment No. 2](#)